

AGENDA ITEM 3b  
PUBLIC AGENCY SIGNIFICANT FINDINGS  
AS OF SEPTEMBER 30, 2011

Significant Public Agency Review Findings for First Quarter of 2011-12

Compensation Findings:

- **Unlawfully Employed Retired Annuitant**

*Southern California Public Power Authority* incorrectly classified a retired annuitant as an independent contractor. Beginning in February 2000, the retired annuitant worked as a full-time employee of the Authority in the position of Executive Director. The retired annuitant worked an average of 40 hours per week, 12 months a year; therefore, the retired annuitant exceeded the 960-hour threshold each fiscal and calendar year thereafter. The Authority failed to reinstate the retired annuitant.

**Current Status:**

OPEN. Benefit Services Division is working together with the CalPERS Legal Office and Customer Account Services Division to resolve the issue.

- **Payrate And Earnings Reported Were Not In Accordance With Publicly Available Salary Schedules**

*City of Oxnard* reported payrates that were above the salary listed in the City's public salary schedule. The City reported a monthly payrate for one member of \$12,741.11; however, the monthly salary listed in the salary schedule was \$12,567.50. Also, the City reported a monthly payrate for one member of \$13,535.61; however, the monthly salary listed in the salary schedule was \$12,914.05. In addition, another member's payrate was not publicly available for public scrutiny. Further, one member was on an individual employment agreement and as of March 1, 2008, the payrate was not publicly disclosed or transparent as the employment agreement, nor the City salary schedule, disclosed specific payrate amounts.

**Current Status:**

OPEN. Customer Account Services Division sent first letter to the employer and is awaiting response.

- **Payrate Increase Was Not Available To All Employees In A Group Or Class**

*City of Oxnard* reported payrates that included a pay increase due to a conversion of an automobile allowance to salary. The member's annual salary increased \$7,200 from \$203,645 to \$210,845, a 3.54 percent increase. However, other management employees did not receive an equivalent increase. The increase was effective December 1, 2007 and the member retired effective December 31, 2008.

**Current Status:**

OPEN. Customer Account Services Division sent first letter to the employer and is awaiting response.